August 13, 2002

Mr. Thomas A. White
Engineered Polymer Solutions, Inc. dba Valspar Coatings
546 W. Abbott Street
Indianapolis, IN 46225

Re: AA 097-17719-00040 First Administrative Amendment to Part 70 T097-7789-00040

Certified Mail 7000 0600 0023 5190 3705

Dear Mr. Thomas White:

Engineered Polymer Solutions, Inc. dba Valspar Coatings was issued a Part 70 permit on August 31, 1999 for a paint manufacturing plant. On August 30, 2001, a minor permit modification was issued for the Latex Paint Production Line (which was further modified in 2002). A letter requesting the inclusion of two (2) -8,000 gallon stainless steel tanks to store Latex Emulsion and Latex Finished Product used and manufactured in the Latex Manufacturing Cell was received on May 7, 2003.

IDEM and OES have reviewed the letter requesting the inclusion of the two tanks and found that the addition of the tanks qualifies as an exemption pursuant to 326 IAC 2-1.1-3(d)(1)(D). Pursuant to 326 IAC 2-7-11(a)(8), the tanks can be incorporated into the Part 70 permit via an administrative amendment. 326 IAC 2-7-11(a)(8) allows for revisions of descriptive information where the revision will not trigger a new applicable requirement or violate a permit term. The proposed stainless steel tanks trigger no new applicable requirements and do not violate any existing permit term.

Pursuant to the provisions of 2-7-11 the permit is hereby administratively amended as follows:

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

(e) One (1) Latex Paint Production Line, identified as emission unit EU-17, constructed in 2001 and modified in 2002, with a maximum production rate of 20,000 tons of paint per year, consisting of the following:

(1) Two (2) raw material storage tanks, constructed in 1999, each with a maximum capacity of 6,000 and 8,000 gallons, respectively.

(2) ~~Two (2)~~ **Three (3)** emulsion storage tanks, **two (2)** constructed in 2002, each with a maximum capacity of 7,000 gallons, **and one (1) constructed in 2003 with a capacity of 8,000 gallons**.

(3) One (1) dispersion mixer, constructed in 2001, with a maximum capacity of 1,800 gallons.

(4) One (1) letdown tank, constructed in 2001, with a maximum capacity of 4,500 gallons.

(5) One (1) finished goods tank, constructed in 1999, with a maximum capacity of 6,000 gallons.

(6) ~~One (1)~~ **Two (2)** finished goods tank, **one (1)** constructed in 2001 **and one (1) constructed in 2003**, **each** with a maximum capacity of 8,000 gallons.

(7) One (1) raw material loading and dispersion process, controlled by a baghouse (identified as DC17).

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]:

(c) One (1) Coating Formulation and Packaging Line, identified as CF-1, constructed before 1980 and modified in 2001, with a maximum production rate of 3.0 tons of paint per hour, where paints, lacquer and enamel are formulated and subsequently packaged in tanker trucks, totes, drums and cans. This line consists of the following:

(1) Ninety-two (92) mix tanks.
(2) Forty-one (41) variable speed air/hydraulic lift dispensers.
(3) Twenty-two (22) paint mills.
(4) One hundred and sixty-eight (168) portable kettles/tubs.
(5) Two (2) single speed air/hydraulic lift dispensers (UFD).
(6) Two (2) 3 horsepower (HP) post mixers.
(7) One (1) letdown tank, with a maximum capacity of 5,000 gallons.
(8) One (1) dry ingredient handing process, controlled by fourteen (14) portable baghouses (identified as DC3 through DC16) and two (2) stationary baghouses (identified as DC1 and DC2), exhausting to stacks DC1 through DC16, respectively.
(9) Five (5) stationary filling stations, each with a maximum loading rate of 12 gallons per minute.
(10) Ten (10) portable filling stations, each with a maximum loading rate of 12 gallons per minute.

(d) One (1) tote paint spray booth, identified as emission unit SB28, is located in building 28. This paint booth is used to coat metal totes. The coating application method is air atomization. Particulate emissions are controlled by a dry filter. Emissions from this unit are exhausted out one stack identified as stack vent SB28-S. This facility was constructed in 1977.

(e) One (1) Latex Paint Production Line, identified as EU-17, constructed in 2001 and modified in 2002, with a maximum production rate of 20,000 tons of paint per year, consisting of the following:

(1) Two (2) raw material storage tanks, constructed in 1999, each with a maximum capacity of 6,000 and 8,000 gallons, respectively.
(2) ~~Two (2)~~ **Three (3)** emulsion storage tanks, **two (2)** constructed in 2002, each with a maximum capacity of 7,000 gallons, **and one (1) constructed in 2003 with a capacity of 8,000 gallons**.
(3) One (1) dispersion mixer, constructed in 2001, with a maximum capacity of 1,800 gallons.
(4) One (1) letdown tank, constructed in 2001, with a maximum capacity of 4,500 gallons.
(5) One (1) finished goods tank, constructed in 1999, with a maximum capacity of 6,000 gallons.
(6) ~~One (1)~~ **Two (2)** finished goods tank, **one (1)** constructed in 2001 **and one (1) constructed in 2003**, **each** with a maximum capacity of 8,000 gallons.
(7) One (1) raw material loading and dispersion process, controlled by a baghouse (identified as DC17).

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this amendment and the following revised permit pages to the front of the original permit.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Amanda Hennessy at (317) 327-2510.

Sincerely,

Original signed by John B. Chavez

John B. Chavez
Administrator

Enclosure: amended permit pages

ajh

cc: Files
Permits - Amanda Hennessy
Air Compliance - Matt Mosier
U.S. EPA, Region V
IDEM, OAQ - Mindy Hahn

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

PART 70 OPERATING PERMIT

OFFICE OF AIR QUALITY
and
CITY OF INDIANAPOLIS
OFFICE OF ENVIRONMENTAL SERVICES

Engineered Polymer Solutions, Inc. dba Valspar Coatings
546 West Abbott Street
Indianapolis, Indiana 46225

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 and 326 IAC 2-1-3.2 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15, IC 13-17 and the Code of Indianapolis and Marion County, Chapter 511.

Operation Permit No.: T097-7789-00040	
Issued by: Janet G. McCabe, Assistant Commissioner Office of Air Quality Robert F. Holm, PH.D, Administrator City of Indianapolis	Issuance Date: August 31, 1999 Expiration Date: August 31, 2004

First Administrative Amendment No.: 097-11482-00040, issued on February 16, 2000
Second Administrative Amendment No.: 097-13947-00040, issued on April 20, 2001
First Minor Permit Modification No.: 097-14855-00040, issued on August 30, 2001
First Reopening No.: 097-13398-00040, issued on March 14, 2002
1st Significant Permit Modification No: 097-15604-00040, issued January 28, 2003

Third Administrative Amendment No.: 097-17719-00040	Affected Pages: 6, 32, 33.
Issued by: Original Signed by John B. Chavez John B. Chavez, Administrator Office of Environmental Services	Issuance Date: August 13, 2002

(7) One (1) letdown tank, with a maximum capacity of 5,000 gallons.

(8) One (1) dry ingredient handing process, controlled by fourteen (14) portable baghouses (identified as DC3 through DC16) and two (2) stationary baghouses (identified as DC1 and DC2), exhausting to stacks DC1 through DC16, respectively.

(9) Five (5) stationary filling stations, each with a maximum loading rate of 12 gallons per minute.

(10) Ten (10) portable filling stations, each with a maximum loading rate of 12 gallons per minute.

(d) One (1) Tote paint spray booth, identified as emission unit SB28, is located in building 28. This paint booth is used to coat metal totes. The coating application method is air atomization. Particulate emissions are controlled by a dry filter. Emissions from this unit are exhausted out one stack identified as stack vent SB28-S. This facility was constructed in 1977.

(e) One (1) Latex Paint Production Line, identified as emission unit EU-17, constructed in 2001 and modified in 2002, with a maximum production rate of 20,000 tons of paint per year, consisting of the following:

(1) Two (2) raw material storage tanks, constructed in 1999, each with a maximum capacity of 6,000 and 8,000 gallons, respectively.

(2) Three (3) emulsion storage tanks, two (2) constructed in 2002, each with a maximum capacity of 7,000 gallons, and one (1) constructed in 2003 with a capacity of 8,000 gallons.

(3) One (1) dispersion mixer, constructed in 2001, with a maximum capacity of 1,800 gallons.

(4) One (1) letdown tank, constructed in 2001, with a maximum capacity of 4,500 gallons.

(5) One (1) finished goods tank, constructed in 1999, with a maximum capacity of 6,000 gallons.

(6) Two (2) finished goods tank, one constructed in 2001 and one (1) constructed in 2003, each with a maximum capacity of 8,000 gallons.

(7) One (1) raw material loading and dispersion process, controlled by a baghouse (identified as DC17).

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

(a) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6, including the following:

(1) Cold Cleaning Operations which consist of 30 portable cold cleaning units of various sizes used to clean production and laboratory related tools and small machine parts. These cold cleaning units are charged with reclaim solvent. VOC

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]:

(c) One (1) Coating Formulation and Packaging Line, identified as CF-1, constructed before 1980 and modified in 2001, with a maximum production rate of 3.0 tons of paint per hour, where paints, lacquer and enamel are formulated and subsequently packaged in tanker trucks, totes, drums and cans. This line consists of the following:

(1) Ninety-two (92) mix tanks.

(2) Forty-one (41) variable speed air/hydraulic lift dispensers.

(3) Twenty-two (22) paint mills.

(4) One hundred and sixty-eight (168) portable kettles/tubs.

(5) Two (2) single speed air/hydraulic lift dispensers (UFD).

(6) Two (2) 3 horsepower (HP) post mixers.

(7) One (1) letdown tank, with a maximum capacity of 5,000 gallons.

(8) One (1) dry ingredient handing process, controlled by fourteen (14) portable baghouses (identified as DC3 through DC16) and two (2) stationary baghouses (identified as DC1 and DC2), exhausting to stacks DC1 through DC16, respectively.

(9) Five (5) stationary filling stations, each with a maximum loading rate of 12 gallons per minute.

(10) Ten (10) portable filling stations, each with a maximum loading rate of 12 gallons per minute.

(d) One (1) tote paint spray booth, identified as emission unit SB28, is located in building 28. This paint booth is used to coat metal totes. The coating application method is air atomization. Particulate emissions are controlled by a dry filter. Emissions from this unit are exhausted out one stack identified as stack vent SB28-S. This facility was constructed in 1977.

(e) One (1) Latex Paint Production Line, identified as EU-17, constructed in 2001 and modified in 2002, with a maximum production rate of 20,000 tons of paint per year, consisting of the following:

(1) Two (2) raw material storage tanks, constructed in 1999, each with a maximum capacity of 6,000 and 8,000 gallons, respectively.

(2) Three (3) emulsion storage tanks, two (2) constructed in 2002, each with a maximum capacity of 7,000 gallons, and one (1) constructed in 2003 with a capacity of 8,000 gallons.

(3) One (1) dispersion mixer, constructed in 2001, with a maximum capacity of 1,800 gallons.

(4) One (1) letdown tank, constructed in 2001, with a maximum capacity of 4,500 gallons.

(5) One (1) finished goods tank, constructed in 1999, with a maximum capacity of 6,000 gallons.

Facility Description [326 IAC 2-7-5(15)]: (continued)

(6) Two (2) finished goods tank, one constructed in 2001 and one (1) constructed in 2003, each with a maximum capacity of 8,000 gallons.

(7) One (1) raw material loading and dispersion process, controlled by a baghouse (identified as DC17).

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.2.1 Organic Solvents [326 IAC 8-6]

(a) The VOC emissions from the emission units listed in paragraphs (a)(1) and (a)(2) of this condition shall be limited to 99 tons per (12) twelve consecutive month period with compliance determined at the end of each month such that the Organic Solvent Regulation 326 IAC 8-6 does not apply.

(1) The following significant emission units are included in this emissions cap; Coating Formulation/Packaging (CF-1), Totes Spray Paint Booth (SB28), and Fugitive Equipment Leaks (F-1) and the Orr & Stembower boiler (OSB).

(2) The following insignificant emission units are included in this emissions cap; seven (7) Quality Assurance Paint Booths (QA1 through QA7), Tank Cleaning Operations (TC), Storage Tanks (ST) and Solvent Recovery Unit (SRU).

(b) For the purpose of demonstrating compliance with paragraph (a) of this condition, the Permittee shall limit the VOC emissions from the emission units listed in paragraph (b)(1) of this condition to less than or equal to 77.7 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

(1) Coating Formulation/Packaging (CF-1), Totes Spray Paint Booth (SB28), seven Quality Assurance Paint Booths (QA1 through QA7) and Tank Cleaning Operations (TC).

(c) For the purpose of demonstrating compliance with paragraph (a) of this condition, the VOC emissions from the emissions units identified in paragraph (c)(1) of this condition are fixed at 21.3 tons for any twelve (12) consecutive month period. The fixed VOC emission rate of 21.3 tons per twelve (12) consecutive month period for the emission units identified in (c)(1) of this condition is based on the sum of the potential emissions for these units. Any changes to the emission units identified in condition (c)(1) which increases the units potential emissions of VOCs must be approved by the OAQ or OES before any such change may occur.

(1) Fugitive Equipment Leaks (F-1), Storage Tanks (ST), Solvent Recovery Unit (SRU) and the Orr & Stembower boiler (OSB).

D.2.2 Hazardous Air Pollutants (HAPs) [326 IAC 20] [40 CFR 63]

(a) The emissions of a single HAP from the coating formulation and packaging line (CF-1) shall not exceed 9.0 tons per twelve (12) consecutive month period with compliance determined at the end of each month. The HAPs emissions shall be calculated with the following equation:

$$E = 3\ [(U1 \times C \times EF1) + (U2 \times C) + (U3 \times EF2)]$$